

# *Renewable Energy Certificates: An Attractive Means for Corporate Customers to Purchase Renewable Energy*

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GREEN POWER MARKET DEVELOPMENT GROUP

# Agenda

- The Green Power Market Development Group
- Business case for purchasing RECs
- Advantages RECs can provide
- Parameters for evaluating REC options
- Actions to accelerate REC market development



# *The Green Power Market Development Group*

Developing corporate  
markets for **1,000 MW** of  
new, cost-competitive  
green power by 2010



Alcoa Inc.

Cargill Dow LLC

Delphi Corporation

The Dow Chemical Company

DuPont

General Motors

IBM

Interface

Johnson & Johnson

Kinko's

Pitney Bowes

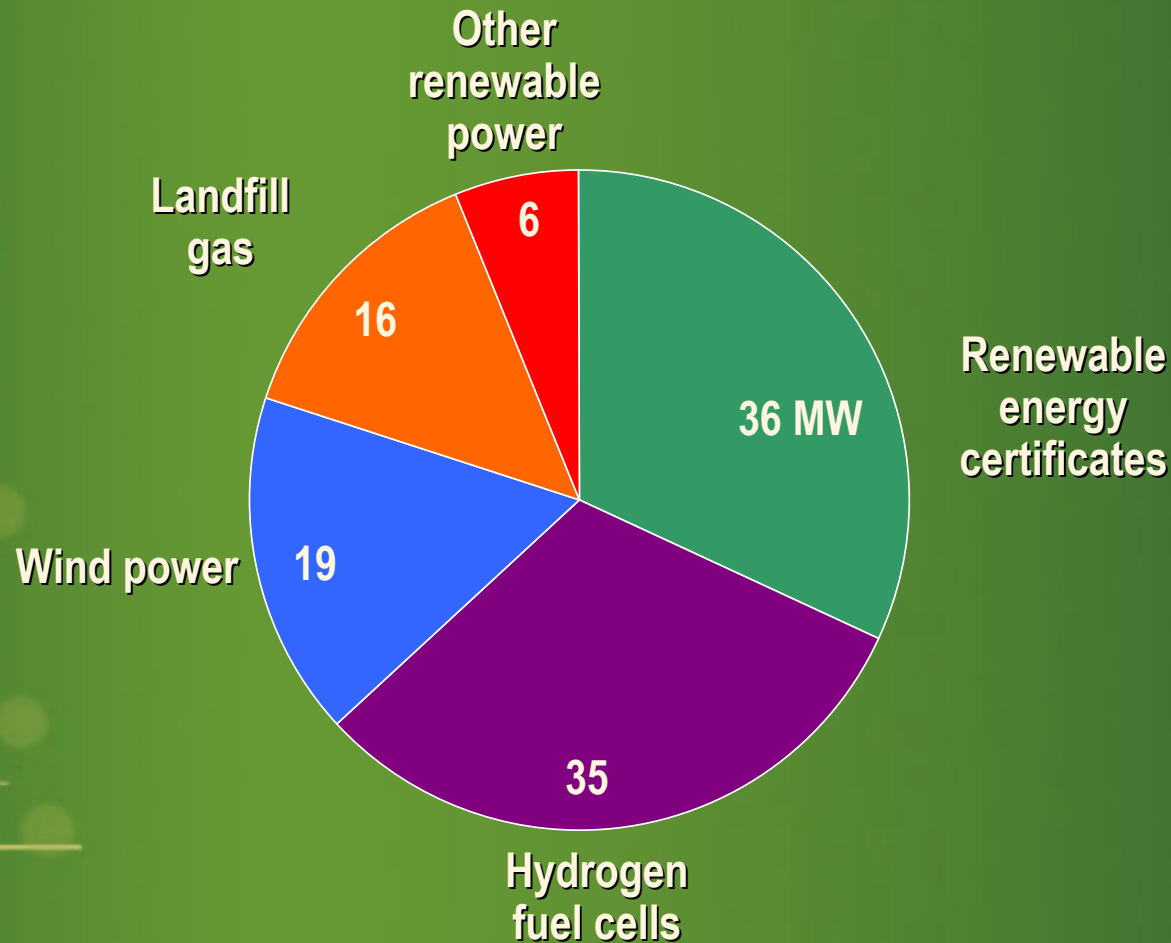
Staples



*The Green Power Market Development Group has completed 112 MW of green power projects and purchases.*

Total = 112 megawatts (MW)

As of September 2003



# *Nine Group partners and WRI completed the largest corporate purchase of RECs in the US*

*Over 265,000 MWh per year*

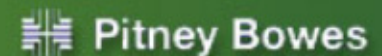


**DELPHI**



*Johnson & Johnson*

**kinko's**



**STAPLES**



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# *Companies buy RECs to achieve various business goals*

- Meet renewable energy targets
- Reduce corporate greenhouse gas emissions
- Strengthen customer and other stakeholder relations
- Differentiate products & brands



*Photo courtesy of Johnson & Johnson*



# *Companies recognize several advantages RECs can provide*



*Photo courtesy of National Renewable Energy Laboratory*

- Lower cost
- Wider selection of suppliers
- Greater variety of renewable resource options
- Simplified transactions



# *Companies consider several factors when evaluating REC options*

- Business case
  - Geography
  - Type of renewable resource
  - Other
    - Volume
    - Vintage
    - Contract duration
  - Certification
- \$ Price \$



*Photo courtesy of Cielo Wind Power and Austin Energy*






# ***Suppliers and policymakers can take several actions to accelerate REC market development***

1. Educate prospective buyers: RECs and green power are more similar than different
2. Develop standard commercial terms and agreements
3. Incorporate national RECs into green power products to lower cost
4. Develop REC-based products that provide “hedge” value
5. Ensure a role for RECs in emissions markets



*Photo courtesy of the Low Impact Hydro Institute*



A photograph of a wind farm at sunset. The sky is a gradient of orange and yellow, with the sun visible as a bright circle on the left. Several wind turbines are silhouetted against the sky. One large turbine is in the foreground on the left, and several smaller ones are in the distance to the right.

***Thank you!***

For more information visit our on-line  
green power marketplace at:  
**[www.thegreenpowergroup.org](http://www.thegreenpowergroup.org)**

or call 202-729-7600